

Minutes
Board of Supervisors
Regular Meeting
January 20, 2015

Members Present: Johnny Woodward, Chairman At-Large
D. Keith Guzy, District 1
David Wiatrowski, District 2
J. D. Cave, District 3
Darrell Short, District 4 (Arrived at 7:15 p.m.)
Dorothy F. Pendley, District 5

Staff Present: Amity Moler, Assistant County Administrator
Regina Miller, Assistant to the County Administrator
Nathan Miller, County Attorney
Clark Draper, Planning & Community Development Director

Call to Order:

Chairman Johnny Woodward called to order the regular meeting of the Page County Board of Supervisors on January 20, 2015, at 7:00 p. m., in the Board of Supervisors Room located in the Page County Government Center, 103 South Court Street, Luray, 22835. The Call to Order was followed by the *Pledge of Allegiance* and the Invocation was given by Rev. Cathy Tibbetts. A quorum of the Board was present.

Adoption of the Agenda:

Chairman Woodward added the item Coyote Bounty to the agenda, under Old Business.

Motion: Supervisor Cave moved to add Coyote Bounty under old business and adopt the agenda. Supervisor Guzy seconded and the motion carried by a vote of 5-0. Aye: Guzy, Wiatrowski, Cave, Pendley, Woodward. Nay: None. Absent: Short.

Public Hearings:

There were no public hearings.

Presentations, Proclamations and Awards:

FY 2014 Audit:

Mr. James Kelly, Robinson, Farmer, Cox Associates, presented the FY2014 audit to the Board. He said the initial audit process is to gain an understanding of the various processes and controls that the County has in place. The end result is to issue an opinion as to if the financial statements, which are fairly stated and materially correct. Mr. Kelly explained the audit document to the Board, pointing out the pension funding, and State and Federal funding. Mr. Kelly added there are no inconsistencies in the audit. Due to the turnover in County staff the report to the Government Finance Officers Association was not made, but this should be a goal for FY2015.

(Clerks Note: Supervisor Short arrived at 7:15 p.m.)

Motion: Supervisor Guzy moved to accept the Comprehensive Annual Financial Report for the fiscal year ending June 30, 2014. Supervisor Cave seconded and the motion carried by a vote of 6-0. Ayes: Wiatrowski, Cave, Short, Pendley, Guzy, Woodward. Nay: None.

Performance Contracting by Johnson Controls:

Mr. Bob Haggard, School's Director of Facilities, said that the Commonwealth of Virginia Department of Mines, Minerals and Energy (DMME), provides oversight to make sure that all energy saving companies adhere to the strict regulations set forth to guide this process for State agencies and county governments. Mr. Charlie Barksdale from DMME has worked with the Schools from the beginning to review data as well as the language and content of the contract.

Mr. Charlie Barksdale said this process began in 2013. He explained that performance contracting allows for facilities to go green or be upgraded and this is paid for by reallocating existing energy dollars. Energy Performance Contract (EPC) is a State contract for all public bodies. The school division selected Johnson Controls as their energy partner, signed the MOU for the investment energy audit, which is an investment rate energy audit that you borrow money against. There are several different financing options to choose from. Once the contract is signed construction can start anywhere from 6 to 18 months and there are federal guidelines they must follow. Project management is very important and there will be weekly and bi-weekly status meetings geared to look ahead two to four weeks out. Payment will be detailed in the contract. At the end of the construction, they will start the guarantee period and the contract as well as the code requires a measurement verification process. He noted that the guarantee is in units of energy and not money. This means that the school system will be more energy efficient. He explained the penalties for not finishing the jobs on time, training of employees and proper documentation. He said Johnson Controls guarantees avoided energy costs; if they fall short they write a check for the difference, and will fix the problem at their cost. He stressed that the performance contracting will make the school system operate more efficiently and the money leftover is what is reinvested into the facilities without having to raise taxes.

Supervisor Short asked who would be the project manager. Mr. Barksdale said Bob Haggard would be, but Johnson Controls would work that out with the school system. Supervisor Short also asked why is it set up as a lease, and at the end what would be the buyout terms. Mr. Barksdale said there are no buyout terms. He said it is similar to borrowing money but Johnson Controls will hold the lease on the equipment. Once all the payments are made then the equipment becomes the schools. He also said that maintenance and subcontracting is solely up to the schools, but employees will be trained on the maintenance.

Supervisor Guzy asked what would happen if the County decides to close one of the school facilities. Mr. Barksdale said adjustments would be made.

Mr. Whit Blake, Account Manager for Johnson Controls, said we are here now presenting the contract for final project and the next phase will be construction and then ongoing measured verification. A meeting was held with the school division when they first began this investment grade audit and they were provided with an aggressive list of what they consider their top priorities. He then reviewed the list of upgrades and said that all the schools in the county will be impacted by this project and will receive some upgrades.

Mr. Dan Knox, Licensed Engineer with Johnson Controls, said one of the starting points with performance contracts is lighting systems. They are proposing new LED lighting technology in all the buildings and parking lots, which has better light quality and uses less energy. The downside is that it does cost more. They will use thermal imaging to go find out where energy is being lost. Most buildings need hot water pipes wrapped with insulation as well as weather stripping around doors and windows. He noted that two of the main priorities was getting air conditioning into both middle schools. Both schools will be getting new air-conditioning. Two elementary schools have cracked boilers, which will be replaced; roof top units will be replaced at Stanley Elementary and the two middle schools. He outlined the curriculum enhancement program where they provide projects that are teacher ready.

Mr. Blake indicated that the financing opportunity is great and they had planned on an indicative rate of 3.2%, but it has been updated to 2.83%. With the lower interest rate, over the term of the project, it saves over \$10 million; the contract value is \$7.5 million and is 100% self-funded. Mr. Knox explained the savings involved with these projects, and went over the benefits of financing right now.

Supervisor Cave said according to the audit there were energy savings measures in place at one time, but buildings have operated continuously and stops were removed from timers. He asked what is going on and will it continue if the same staff is in charge. He also asked when equipment is removed and replaced, who owns it then. Mr. Blake responded that it is the school system's property.

Donna Whitley-Smith, School Superintendent, stated that in looking forward strategically and understanding the age and useful life of their equipment prior Administration saw an opportunity to leverage the savings from their energy to make the needed capital improvements that they need. Performance contracting allows them to leverage savings in a proactive manner to accomplish the things that help them to move forward. She said they would like the Board's concurrence with the project.

Supervisor Short stated that this is a \$7 million debt and asked if it is considered debt service and if so, how will it affect the financial position of the County. Mrs. Michelle McClelland, School Finance Director, said it is not considered debt service. It will be paid for from the energy savings.

The Board thanked the school system, Mr. Barksdale and Johnson Controls for the presentation.

Public Comments on Agenda Items:

Mr. Morgan Phenix, Chairman of the School Board, said he had read the Strategic Plan and was concerned because some things were missing regarding education. He asked the Board to postpone their vote to adopt the Strategic Plan until something providing for an education initiative is included in the plan.

Action Matters:

Pump and Haul Application:

Mr. Clark Draper, Planning & Community Development Director, said Mr. James Mayes has requested the approval of a pump and haul sewage disposal operation for his property located at 3054 US Highway 211 W, Luray, VA, which is used as an artist studio. The Health Department staff found the property unsuitable for a conventional sewage disposal system. Staff recommended approval of the application for pump and haul sewage disposal system.

Motion: Supervisor Cave moved that the Page County Board of Supervisors approve the Application for Pump & Haul Sewage Disposal System and the Pump & Haul of Sewage Monitoring Contract for 3054 US HWY 211 W, contingent on approval of the Page County Department of Health of required tank(s) and related equipment. Supervisor Wiatrowski seconded and the motion carried by a vote of 6-0. Aye: Cave, Short, Pendley, Guzy, Wiatrowski, Woodward. Nay: None.

Adoption of the Strategic Plan:

Motion: Supervisor Cave moved to hold the adoption of the Strategic Plan over to the next regular meeting and discuss it at the next work session. Supervisor Wiatrowski seconded and the motion carried by a vote of 6-0. Aye: Short, Pendley, Guzy, Wiatrowski, Cave, Woodward. Nay: None.

Board and Commission Appointments:

Mrs. Regina Miller, Assistant to the County Administrator, reviewed the following Board and Commission appointments with the Board:

Planning Commission:

The terms of Jim Turner (District 3) and Scott Alexander (District 5) have expired. Both are eligible to serve another four year term.

Motion: Supervisor Cave moved to appoint Mr. Jim Turner to the Planning Commission, as the District 3 representative, for a four year term from January 12, 2015 through January 11, 2019. Supervisor Pendley seconded and the motion carried by a vote of 6-0. Aye: Pendley, Guzy, Wiatrowski, Cave, Short, Woodward. Nay: None.

Motion: Supervisor Pendley moved to appoint Josh Shifflett to the Planning Commission, as the District 5 representative, for a four year term from January 12, 2015 through January 11, 2019. Supervisor Wiatrowski seconded and the motion carried by a vote of 6-0. Aye: Guzy, Wiatrowski, Cave, Short, Pendley, Woodward. Nay: None.

Economic Development Authority:

The terms of Yvonne Berezowski (District 3) and Ligon Webb (Town of Luray Representative) will both expire on January 31, 2015 for the Economic Development Authority. Both are eligible to serve another four year term. Both would like to be reappointed.

Motion: Supervisor Guzy moved to appoint Ligon Webb to the Economic Development Authority, as the Town of Luray representative, for a four year term from February 1, 2015 through January 31, 2019. Supervisor Cave seconded and the motion carried by a vote of 6-0. Aye: Wiatrowski, Cave, Short, Pendley, Guzy, Woodward. Nay: None.

Motion: Supervisor Cave moved to appoint Yvonne Berezowski to the Economic Development Authority, as the District 3 representative, for a four year term from February 1, 2015 through January 11, 2019. Supervisor Wiatrowski seconded and the motion carried by a vote of 6-0. Aye: Cave, Short, Pendley, Guzy, Wiatrowski, Woodward. Nay: None.

Consent Agenda:

Motion: Supervisor Short moved to approve the Consent Agenda as follows:

- Financial reports for the period of December 1-31, 2014;
- Accounts payable checks, payroll checks, payroll direct deposits, and payroll tax related electronic fund transfers totaling \$1,576,877.89 for the month of December 2014;
- Minutes of December 2, 2014, December 5-6, 2014 and December 16, 2014.

Supervisor Guzy seconded and the motion carried by a vote of 6-0. Aye: Pendley, Guzy, Wiatrowski, Cave, Short, Woodward. Nay: None.

Old Business:

Discussion of Sign Ordinance Amendments:

Mr. Clark Draper, Planning & Community Development Director, said that after research the current sign ordinance was adopted with a prohibition on off-premise signs, with the intention to find a way to create an administrative path to approving off-premise signs. It was previously sent back to the Planning Commission and they sought guidance from legal counsel. The County Attorney advised that the Board of Supervisors does not have the authority to give authority to the Planning Commission to grant variances or exceptions. At that point, the Planning Commission decided not to take any action and that is where the discussion stopped.

Mr. Nathan Miller, County Attorney, said the next step is for the Board to direct Mr. Draper to present an amendment to the sign ordinance to Planning Commission for review.

Motion: Supervisor Guzy moved to direct staff to present an amendment to the sign ordinance for review. Supervisor Short seconded and the motion carried by a vote of 6-0. Aye: Guzy, Wiatrowski, Cave, Short, Pendley, Woodward. Nay: None.

Coyote Bounty:

Chairman Woodward said he and Supervisor Cave attended a meeting on January 19th with members of the Farmer's Association as well as the Sheriff to discuss the coyote problem in the county. The County still has in place an ordinance for bounties on coyotes, however there is no money appropriated to pay the bounty. The farmers said they were going to suggest that the association contribute money for bounties. Chairman Woodward and Supervisor Cave would like for the Board to consider appropriating \$1,000.00 toward coyote bounties.

Supervisor Cave said that it was a very informative meeting and that the farmers are very concerned that the coyote problem is getting worse. Supervisor Cave said he feels confident that the farmers association will contribute to paying bounties.

Chairman Woodward said that the Sheriff's office will be checking in the coyotes.

Supervisor Short suggested that the Board match the farmer's association contribution dollar for dollar up to \$1,000. He would support this measure.

Motion: Supervisor Cave moved to appropriate \$1000.00 for coyote bounties. Supervisor Wiatrowski seconded and the motion carried by a vote of 5-1. Aye: Wiatrowski, Cave, Pendley, Guzy, Woodward. Nay: Short.

New Business:

There was no New Business.

Open Public Comments:

There were no speakers during Open Public Comments.

Administrator's Report:

Mrs. Amity Moler, Assistant County Administrator, said that during the budget session for the current fiscal year (FY14), the Treasurer requested a new position and explained she could bring in additional revenue. The position was filled in September or October 2014, and after the first half of tax season the position brought in an additional \$5,600 in DMV stop fees and because of those stop fees delinquent taxes on personal property was \$139,000; real estate is up \$8,170. At present, she has surpassed the \$150,000 that she said she would meet just in the first half of the tax year.

Supervisors Time:

Board members thanked citizens for attending the meeting.

Closed Session: 9:19 p.m.

Supervisor Guzy moved that the Page County Board of Supervisors convene in closed session under the Virginia Freedom of Information Act to discuss legal matters with legal counsel relating to landfill compliance requirements, and a report of the meeting status with the Town of Stanley, pursuant to Section 2.2-3711 (A) (7) of the Code of Virginia; and to discuss and review applications for the position of County Administrator

for the purpose of considering such person's assignment, appointment, promotion, performance, demotion, salary, disciplining, or resignation pursuant to Section 2.2-3711 (A)(1) of the Code of Virginia. Supervisor Cave seconded and the motion carried by a vote of 6-0. Aye: Cave, Short, Pendley, Guzy, Wiatrowski, Woodward. Nay: None.

Exit Closed Session: 9:56 p. m.

Supervisor Guzy moved the closed meeting be adjourned and the Page County Board of Supervisors reconvene in open session. Supervisor Wiatrowski seconded and the motion carried by a vote of 6-0. Aye: Short, Pendley, Guzy, Wiatrowski, Cave, Woodward.

Certification of Closed Meeting:

To the best of my knowledge (i) only public business matters lawfully exempted from open meeting requirements under Section 2.2-3711 (A) of the Code of Virginia, 1950, as amended, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened where heard, discussed or considered in the meeting.

Recorded Roll Call Vote:

	<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>	<u>ABSTAIN</u>
D. Keith Guzy, Jr.	X			
David Wiatrowski	X			
J.D. Cave	X			
Darrell Short	X			
Dorothy Pendley	X			
Johnny Woodward	X			

Action from Closed Session:

Motion: Supervisor Cave moved to give an additional \$1,000 per month, on a temporary basis, to Amity Moler for performing additional duties of the County Administrator, retroactive to January 1, 2015, until the position of County Administrator is filled. Supervisor Guzy seconded and the motion carried by a vote of 6-0. Aye: Guzy, Wiatrowski, Cave, Short, Pendley, Woodward. Nay: None.

Adjourn: 10:00 p.m.

With no further business, Chairman Woodward adjourned the meeting.


Chairman


County Administrator